

**City of Milpitas
Economic Development Commission
Monday, February 9, 2004**

MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 2).

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Dr. Karl Black, Christie Gammon (Alt. No. 1), Joe Gigantino

The Chair designated Alternate Tomo Nguyen to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell

3. Announcements

Vice Chairman Brahmbhatt announced that he was appointed to a committee on nanotechnology for the Institute of Electrical and Electronics Engineers, Inc., (IEEE). The Commission discussed the definition of nanotechnology.

Analyst Cindy Maxwell, reminded Commissioners to turn in their conflict of interest statements to the City Clerk by February 19 if they haven't already done so. She noted the 2004 Index for Silicon Valley, published by Joint Venture Silicon Valley, was included in the agenda packet as background information.

Mayor Jose Esteves announced that he requested a staff to report to the City Council on the status and needs of the City's permit system. He suggested that the Commission's concerns about the customer feedback process might be included too.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Peoples/Maglalang

Ayes: Unanimous

Absent: Black, Gigantino

5. Citizens Forum

There were no comments from the public.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: DeSmidt/Songcayawon

Ayes: Unanimous

Absent: Black, Gigantino

7. Economic Development Plan Status

Maxwell reported on the status of selected a consultant for the economic development plan. Commissioner Peoples indicated that the report from the Business Incentives & Retention Subcommittee should be completed by the time the consultant begins work on the project. Vice Chairman Brahmhatt congratulated the Mayor on creating the Economic Development Commission (EDC) as it will help facilitate the completion and implementation of the Plan.

8. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples noted that he had not received comments on the draft report. He described the subcommittee's involvement with finding office space for a nanotechnology incubator in the McCarthy Ranch. He reported that the subcommittee met to inventory infrastructure needs for nanotechnology and that San Jose State University Professional Development Department is interested in working with Milpitas on nanotechnology. Commissioner Peoples discussed issues related to the difficulty some firms have obtaining subleases for building space.

Mayor Esteves stated that this is an issue the EDC should explore. He also encouraged the EDC to look into other issues such as business need for sign space.

The Commission further discussed subleasing issues, noting that landlords need to know that subleasing is important even though there are no financial incentives to sublease. It was agreed that the issue should be identified in the economic development plan.

Motion to direct staff to inventory vacant buildings so the EDC can consider leasing and redevelopment options.

M/S: Songcayawon/Maglalang

Discussion on the motion included the use of staff resources and similar work already pursued by the Planning Commission. Debbie Giordano, Planning Commissioner, discussed the planning process and the role of the General Plan and zoning ordinance.

The makers of the motion withdrew the motion.

Motion to continue discussion of the issue to a future Commission meeting.

M/S: Songcayawon/Nguyen

Ayes: Unanimous

Absent: Black, Gigantino

Vice Chairman Brahmbhatt asked if the Commission could be briefed at a future meeting on the financial status of the VTA.

B. Legislation

Commissioner DeSmidt asked the Commission to recommend the City Council support workers compensation reform legislation that had a deadline of March 1. Maxwell noted that more specifics on the issue and background information are needed. There was discussion on the appropriate scope and nature of recommendations to the City Council. Commissioner DeSmidt asked for workers compensation to be placed on a future EDC agenda.

Commissioner DeSmidt announced that a signature campaign had begun for the taxpayers public safety protection act. Mayor Esteves noted that the City Council endorsed the proposal.

C. Profile

Commissioner Nguyen distributed and reviewed the subcommittee's report. Commissioner DeSmidt asked the status of the I-880 gateway project that started a few years ago. Commissioner Peoples asked that the energy task force report be distributed to the Commission. He suggested that city marketing materials include some historical information.

Commissioner Nguyen discussed the importance of maintaining a business friendly image.

Motion to agendize marketing the city and creating a "clean" city image for a future meeting.

M/S: Songcayawon/Nguyen

Commissioner Peoples suggested the subcommittee provide a final report instead of making this an agenda item. Maxwell noted the subcommittee could continue its work on these issues and then return with a report to the EDC.

The motion was tabled so the subcommittee could continue to work on the issues.

9. Budget

Maxwell reviewed the item and recommended the Commission request a budget of \$500 to cover the costs of meetings and conferences. The Commission discussed their need to attend meetings and that their experience this past year indicated they needed a budget for this purpose and that \$45 per commissioner was not sufficient.

Motion to recommend to the City Council that the budget for meetings and conferences for the EDC be a total of \$1,000, which equates to \$90 per commissioner.

M/S: Songcayawon/Brahmbhatt Ayes: Unanimous Absent: Black, Gigantino

10. Town Center

Maxwell discussed the role and scope of responsibilities for both the EDC and the Planning Commission. She noted the EDC might review and act on the general broad economic development issues related to a development project like the Town Center but not the specifics of the project. Commissioner DeSmidt noted the review process often stops at the Planning Commission and doesn't proceed to the City Council. The Commission further discussed the review process and EDC's role in it. Mayor Esteves compared the EDC's role to reviewing economic issues to the Parks, Recreation and Cultural Resources Commission's role reviewing park related issues in land development proposals.

Motion to extend the meeting another 15 minutes to 8:15 p.m.

M/S: Songcayawon/Maglalang Ayes: Unanimous Absent: Black, Gigantino

The Commission discussed the importance of considering economic issues in land development proposals. Maxwell noted that it is more useful for the City Council if recommendations from the EDC are specific. Commissioner Peoples discussed public participation requirements and constraints the Planning Commission and City Council have when they review applications.

Mayor Esteves explained that political issues could be difficult to distinguish from economic issues. Commissioner Peoples pointed out that making a recommendation to the Planning Commission was outside the scope of the bylaws. Mayor Esteves suggested providing the Planning Commission with a copy of any appropriate memos or recommendations that are forwarded to the City Council.

Motion for the Commission to review the economic impact of the Town Center proposal on existing businesses and make a recommendation to the City Council.

M/S: Brahmbhatt/Songcayawon Ayes: Brahmbhatt, Maglalang, Songcayawon

Noes: None

Abstain: DeSmidt, McDonough, Nguyen, Peoples, Pham.

Absent: Black, Gigantino

The motion failed for lack of a majority.

Commissioner Peoples stated he was opposed to the motion because it was outside the Commission's jurisdiction of responsibilities.

11. Next Meeting

It was noted that the next meeting of the commission would be Monday, March 8, 2004 at 6:00 p.m.

11. Adjournment

The Chair adjourned the meeting at 8:20 p.m.

Respectfully submitted,

Cynthia Maxwell, Principal Analyst